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TESTIMONY OF SHELDON TOUBMAN REGARDING SB 921, HB 6323 AND HB 6305 (INCLUDING BASIC HEALTH PLAN FOR LOW-INCOME INDIVIDUALS)

Good afternoon, Members of the Insurance and Real Estate, Human Services and Public Health Committees:

My name is Sheldon Toubman, and I am a staff attorney with New Haven Legal Assistance Association. I am testifying today regarding SB 921, HB 6323 and HB 6305, and particularly in support of the latter bill's critical inclusion of protective language regarding enrollment of low-income adults into a Basic Health Plan in lieu of enrollment into the new state health insurance exchange addressed in SB 921 and HB 6323.

First, I wish to express support for the effort to move to universal health care and the inclusion of a public option in doing so, as provided in the Sustinet Bill, HB 6305. Sustinet essentially takes the advances provided under federal health care reform and improves on them by allowing uninsured individuals to choose an efficient public plan, among other insurance options included in the new exchange.

Second, in moving in this direction, the Sustinet Board of Directors recognized that, for low-income individuals, a move into the health insurance exchange would not be satisfactory, because, among other things, the cost sharing would be too high -- even with the federal subsidies which will be available under the Patient Protection and Affordable Care Act (PPACA). For that reason, it included an important provision exercising an option available to the states under the PPACA - the establishment of a Basic Health Plan (BHP) for all adults up to 200% of the federal poverty level (children will continue to be covered either under Medicaid or the SCHIP program, known in Connecticut as HUSKY B). Particularly for **non-parent** adults who are above the very low income threshold for adults not on Medicaid/HUSKY A (which is only for children, pregnant women and parents of minor children), currently set at about 80% of the federal poverty level, the Basic Health Plan will provide coverage not currently available.

Third, while the Basic Health Plan will provide insurance not currently available to these non-parent adults, for parents of minor children whose income is between 133% and 185% of the federal poverty level and who do currently receive all their health care (without copays) through Medicaid, the move to this option must come with basic protections to ensure they continue to receive all the same benefits, protections from cost-sharing and consumer protections they now have under Medicaid. Please keep in mind that Connecticut actually has the **choice** to continue providing services to these adults under the Medicaid/HUSKY A program, at the same federal match rate we have always had, 50%. The PPACA in no way interferes with this state prerogative. All things being equal, we would prefer that these individuals stay on Medicaid so that all the long-standing federal Medicaid substantive and procedural protections will be guaranteed to apply to them in the future.

Nevertheless, recognizing that substantial savings will come to the state from moving this particular Medicaid population, as well as low-income adults not currently eligible for Medicaid, to the Basic Health Plan, we can support this move if the critical protections in Section 7 of HB 6305 are included in the final legislation:

"Medical assistance provided through the basic health plan shall include all benefits, limits on cost-sharing and other consumer safeguards that apply to medical assistance provided in accordance with Title XIX of the Social Security Act."

If these basic protections remain intact for all enrollees in the Basic Health Plan, we can fully support the Sustinet bill, including the creation of the Basic Health Plan and the movement of some adults currently on Medicaid into it. We strongly urge that the final legislation coming out of your committees include this language verbatim.

Thank you for the opportunity to speak with you today.